

GIBSON DUNN

Gibson, Dunn & Crutcher LLP

1801 California Street  
Denver, CO 80202-2642  
Tel 303.298.5700  
www.gibsondunn.com

Monica K. Loseman  
Direct: +1 303.298.5784  
Fax: +1 303.313.2828  
MLoseman@gibsondunn.com

July 11, 2022

Hon. Katharine H. Parker  
United States Magistrate Judge  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl Street  
New York, NY 10007-1312

Re: *Patriarch Partners Agency Services, LLC v. Zohar CDO 2003-1 Ltd., et al*, 16-CV-04488 (VM) (KHP)

Dear Judge Parker:

We write today on behalf of all parties in response to this Court's memo endorsement of our February 9, 2022 letter [D.I. 215], in which this Court requested a further joint status letter regarding the status of the chapter 11 bankruptcy proceedings of Zohar CDO 2003-1, Ltd., Zohar CDO 2003-1 LLC, Zohar II 2005-1, Ltd., Zohar II 2005-1 LLC, Zohar III, Ltd, and Zohar III, LLC (collectively, the "Zohar Debtors").

The Zohar Debtors (and certain of their affiliates) filed for bankruptcy under chapter 11 of the United States Bankruptcy Code (11 U.S.C. §§ 101-1532 *et seq.*) on March 11, 2018. As a result of such filing, and per this Court's Order dated February 2, 2021 [D.I. 205], this action was stayed in accordance with 11 U.S.C. § 362(a).

On May 21, 2018, the Bankruptcy Court approved a settlement by and among the Zohar Debtors and a number of other involved parties and stakeholders (the "Settlement Agreement"). The Settlement Agreement, among other things, sets forth a process for the monetization of the assets of the Zohar Debtors through the sale of certain portfolio companies. That process remains ongoing.

Following a hearing on June 21, 2022, the Bankruptcy Court confirmed the Zohar Debtors' *Third Amended Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code for Zohar III, Corp. and its Affiliated Debtors* (the "Plan"). On the same day, the Bankruptcy Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming Third Amended Plan of Liquidation Under Chapter 11 of the Bankruptcy Code for Zohar III, Corp. and its Affiliated Debtors*.

# GIBSON DUNN

Hon. Katharine H. Parker  
July 11, 2022  
Page 2

It is currently anticipated that the Effective Date of the Plan (as defined therein) will occur on or about July 20, 2022.

Among other things, the Plan provides for the transfer of the Zohar Debtors' Litigation Assets (including any asserted claims and causes of action in this proceeding) to one or more Litigation Trusts and for the appointment of a Litigation Trustee, which shall accede to all of the Debtors' right, title, interest, and standing with respect to the Litigation Assets as of the Effective Date of the Plan.<sup>1</sup>

The parties anticipate that this action will remain stayed pending the Effective Date of the Plan, upon which the Litigation Trustee will confer with the other parties to this litigation concerning the status of this action. The parties will advise the Court if any party requests that the automatic stay in the bankruptcy proceeding be lifted or any other action be taken in respect of the case.

We are available should the Court have any questions.

Respectfully submitted,

/s/ Monica K. Loseman

Monica K. Loseman

cc: Joseph Barry, Esq. (*counsel to the Zohar Debtors*)  
Michael R. Nestor, Esq. (*counsel to the Zohar Debtors*)  
Jonathan Pickhardt, Esq. (*counsel to Defendant Alvarez & Marsal Zohar Mgmt., LLC*)

---

<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.